



CSX RAIL TRANSPORT
Law Department

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July 29, 1988

RECEIVED AUG 04 1988

**CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

Mr. Michael Towle
Remedial Enforcement Project Officer
U. S. Environmental Protection Agency
Region III
PA CERCLA Remedial Enforcement Section (3HW12)
P. O. Box 3409
Reston, Virginia 22091

Re: Keystone Sanitation Landfill
Adams County, Pennsylvania

Dear Mr. Towle:

This is in response to your agency's information request, dated June 28, 1988, directed to "Chessie System - B&O Railroad" pursuant to Section 104(e) of CERCLA, as amended, and Section 3007(a) of RCRA, seeking information and making document identification/production requests concerning hazardous substances and hazardous wastes which allegedly have been or are being generated, treated, stored or disposed of at the Keystone Sanitation Landfill Site, Adams County, Pennsylvania. As more fully explained in paragraph 1 hereof, the former entities known as Chessie System and the B&O Railroad are corporate predecessors in interest to CSX Transportation, Inc.

On July 11, 1988, during our telephone conversation, you granted the undersigned's request for an extension of time to and including July 30, 1988 within which to respond to the information request. This arrangement was confirmed in writing on July 11, 1988.

In preparation of the responses to the information request, the undersigned conducted employee interviews, examined such papers and other currently available internal documentary materials, including corporate billing records, as were deemed necessary or relevant as a basis for the responses hereinafter set forth. Where possible, responses

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are made in paragraph number reference corresponding to each of the applicable questions set forth in the information request, as follows:

1.-3. CSX Transportation, Inc. ("CSXT") is engaged principally in the business of railroad transportation and operates a system comprising 21,424 miles of first line track in 20 states, primarily east of the Mississippi River, southern Ontario and the District of Columbia. It conducts railroad operations in its own name and through railroad subsidiaries. CSXT's operations and properties include those of The Baltimore & Ohio Railroad Company, which, on April 30, 1987, was merged into The Chesapeake and Ohio Railroad Company, which, in turn was merged into CSXT on September 2, 1987. Western Maryland Railway Company is a wholly-owned subsidiary of CSXT. CSXT has its principal business offices located at 500 Water Street, Jacksonville, Florida 32202. CSXT is a wholly-owned subsidiary of CSX Corporation, a publicly-owned Virginia corporation which maintains its headquarters at One James Center, 901 East Cary Street, Richmond, Virginia 23219. Through its subsidiary, Western Maryland Railway Company, CSXT has, since September, 1984, operated a railroad yard office and light repair shop located at Center Street, Hanover, Pennsylvania (the "Hanover Facility").

4. From prior to 1966 through July, 1987, the Hanover Facility consisted principally of clerical and administrative offices providing support for railroad agency, engineering and transportation functions. Additionally, the shop area of the Hanover Facility performed minor repairs to railroad equipment, including locomotives and railcars, as well as signal and communications equipment and right-of-way maintenance activities. In July, 1987, equipment repair, signal and roadway maintenance activities were removed from the Hanover Facility and were reorganized and consolidated at other locations on CSXT's railroad system. Consequently, from July, 1987 to the present, the Hanover Facility has functioned solely to provide clerical and office support in agency and general administrative matters.

5. Keystone Sanitation Co., Inc. began waste hauling services for the Hanover Facility in September, 1984. From September, 1984 until July, 1987, continuing railroad operations at the Hanover Facility resulted in the generation of (1) office paper and similar waste material and, to a far lesser extent, (2) used lubricating oil filters from locomotive maintenance activities and used journal lubricating pads from railcar maintenance

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activities, and (3) discharged or spent aerosol paint cans, and oily rags. From July, 1987 to the present, the entirety of the waste materials produced at the Hanover Facility have consisted of office waste paper and used office supplies.

6. CSXT has been unable to locate any document or develop any information concerning the specific nature of any precautions and procedures followed to prevent mixing of potentially hazardous with non-hazardous waste streams at the Hanover Facility.

7. As indicated in response number 4 above, available internal records show that from September, 1984 to the present, Keystone Sanitation Co., Inc. has provided CSXT with monthly waste hauling services from the Hanover Facility.

8. CSXT has no document or other information concerning the chemical characteristics of waste picked up from the Hanover Facility by Keystone Sanitation Co., Inc. since September, 1984. However, the wastes described in response number 5 above, being primary office waste paper, were placed in one (1) four cubic yard metal container box provided by Keystone Sanitation Co., Inc. for waste pickup and hauling purposes. On general information and belief, CSXT estimates that from September, 1984, to the present, Keystone Sanitation Co., Inc. provided waste pickup and hauling services at the Hanover Facility in respect of approximately 784 cubic yards of solid waste material, 90% of which consisted of routine office trash and waste paper products.

9. Arrangements for pickup and disposal of CSXT's wastes from the Hanover Facility have been set forth above. CSXT has been unable to locate any contract or agreement with Keystone Sanitation Co., Inc. in regard to the waste hauling services provided the Hanover Facility since September, 1984. On general information and belief, however, CSXT states that the nature of its relationship with Keystone Sanitation Co., Inc. arose solely by virtue of the location of the Hanover Facility within Penn Township, and that Keystone Sanitation Co., Inc. is and was the only waste pickup and hauling service available to business operating within Penn Township.

10. CSXT has never used, treated, transported or disposed of hazardous substances at its Hanover Facility. CSXT has in its possession no document or other information which indicates the exact quantity of hazardous substances,

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if any, transported from its Hanover Facility by Keystone Sanitation Co., Inc. since September, 1984.

11. Attached hereto and marked as Exhibit A are copies of billing invoices for waste pickup and hauling services rendered CSXT by Keystone Sanitation Co., Inc. for the period September 30, 1984 to June 30, 1988, inclusive. Also attached hereto, and marked as Exhibit B, is a partial summary of payments made by CSXT to Keystone Sanitation, Co., Inc. for waste pickup and hauling services rendered for the period covering September 3, 1987 to May 18, 1988. Payment summaries prior to September, 1987, are unavailable.

12. Other than the information and documentation provided with regard to the arrangements and transactions set forth above, we have been unable to locate any permit, permit application or any correspondence or documents between CSXT and any regulatory agency or other parties regarding hazardous substances transported to or disposed of at the Keystone Sanitation Landfill Site.

13. CSXT is in possession of no document or other information relating to any other person who may have generated, treated, stored, transported, or disposed, or who arranged for the treatment, storage, disposal or transportation of hazardous substances to the Keystone Sanitation Landfill Site.

Please be advised that CSXT self-assumes its property and liability exposures (including assumed liabilities) up to a self-retention typical of self-retentions in the railroad industry and carries Excess Liability Insurance to cover catastrophic exposures.

The responses hereinabove provided EPA Region III pursuant to the information request, dated April 11, 1988, are not intended and should not be construed as an admission of liability by CSXT for the transportation or disposal of materials at the Keystone Sanitation Landfill or any legal or equitable liability under any statute, regulation, or common law for any response costs or damages caused by storage, treatment, handling or disposal activities or actual or threatened releases of materials at the Keystone Sanitation Landfill, but are made solely in recognition of EPA's authority under Section 104 of CERCLA, as amended, and Section 3007 of RCRA to request information in regard to the release or threatened release of hazardous substances or hazardous wastes at the Site. CSXT specifically denies liability in the matter.

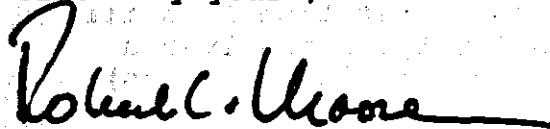
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This concludes all information presently available as relating to the connection of CSXT to the Keystone Sanitation Landfill Site. Our investigation into the matter continues. Should further information become available, it will be forwarded to you promptly. In the meantime, kindly furnish the undersigned with one copy of any and all documents in your possession which indicate that CSXT, Chessie System Railroad, Western Maryland Railway Company, or the B&O Railroad did, by contract, agreement or otherwise, arrange for the disposal of hazardous substances at the Keystone Sanitation Landfill Site.

Additional correspondence concerning this subject should be addressed to the undersigned at the above-letterhead address.

Sincerely yours,



Robert C. Moore
General Attorney

RCM/jso

Enclosure

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